

AMENDED IN ASSEMBLY MARCH 15, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1639

Introduced by ~~Committee on Budget (Evans (Chair), Arambula, Beall, Blumenfield, Brownley, Carter, Chesbro, De La Torre, Feuer, Hernandez, Hill, Huffman, Monning, Ruskin, and Swanson)~~ Assembly Members Nava, Bass, and Lieu
(Coauthor: Senator DeSaulnier)

January 11, 2010

An act relating to the ~~Budget Act of 2010~~ to amend Section 2923.5 of, and to add Article 1.7 (commencing with Section 2946) to Chapter 2 of Title 14 of Part 4 of Division 3 of, the Civil Code, relating to mortgages.

LEGISLATIVE COUNSEL'S DIGEST

AB 1639, as amended, ~~Committee on Budget~~ Nava. ~~Budget Act of 2010. Mediated Mortgage Workout Program.~~

Existing law requires that, upon a breach of the obligation of a mortgage or transfer of an interest in property, the trustee, mortgagee, or beneficiary record a notice of default in the office of the county recorder where the mortgaged or trust property is situated and mail the notice of default to the mortgagor or trustor, among other acts required prior to exercising a power of sale in a nonjudicial foreclosure proceeding.

This bill would establish the Mediated Mortgage Workout (MMW) Program. The program would be a process whereby borrowers and lenders would engage in mediation for purposes of developing a loan modification plan. The program would require that specified information regarding the MMW Program be included with the notice of default

sent to a borrower, as defined, on a loan secured by residential real property of one- to 4-family dwelling units that is the primary residence of the borrower, as specified. The bill would require that this additional notice be recorded in the office of the county recorder. By expanding the duties of county recorders, the bill would impose a state-mandated local program.

The bill would provide for an administrator of the program who would be appointed by the Governor and confirmed by the Senate. The program would require a borrower who elects to participate in the program to complete a specified form and return the form to the administrator of the program not later than 30 calendar days after receiving the notice of default. The program would require the borrower to submit other information to the administrator within 10 days of requesting to participate in the program, including tax returns, income verification, and a specified deposit of funds. The program would also require a borrower who elects to participate in the program to deposit with the administrator 50% of the current mortgage payment each month during participation in the MMW Program. The bill would also prohibit a mortgagee, trustee, beneficiary, or authorized agent from reporting negative credit information to a credit reporting agency about a borrower who has successfully completed the MMW Program and accepted a mortgage loan modification. The bill would impose various administrative fees, payable by the mortgagee, trustee, beneficiary, or authorized agent, or by the borrower, as specified, who participate in the MMW Program.

The bill would also provide that the timelines set forth in the provision governing the exercise of the power of sale, as specified, would be suspended until the completion of the program, as specified.

The bill would require the administrator of the program, among other duties, to implement rules and standards for selecting qualified mediators and to develop standards for forms and reports required to implement the program. The bill would also require the administrator, upon receipt of a borrower's form whereby he or she elects to participate in the program to randomly appoint an individual to serve as mediator from a list of qualified mediators in the county in which the property is located. The bill would establish the compensation for a mediator who provides his or her services to the program and require a mediator to use reasonable efforts to ensure that each MMW Program is completed within 60 calendar days of the mediator's appointment. The bill would also require the mediator to prepare a final report, as

specified. The bill would also require, only until January 1, 2015, the administrator to report quarterly to the Legislature regarding the MMW Program, as specified. The bill would also require each mortgagee, trustee, beneficiary, or authorized agent participating in the program to post specified data about its loans on its Internet Web site.

The bill would also make related and technical changes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2010.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2923.5 of the Civil Code is amended to
2 read:

3 2923.5. (a) (1) A mortgagee, trustee, beneficiary, or authorized
4 agent may not file a notice of default pursuant to Section 2924
5 until 30 days after initial contact is made as required by paragraph
6 paragraphs (2) and (3) or 30 days after satisfying the due diligence
7 requirements as described in subdivision ~~(g)~~ (f).

8 (2) (A) A mortgagee, trustee, beneficiary, or authorized agent
9 shall inform the borrower, via certified mail accompanying a notice
10 of delinquency, that the borrower may request to participate in
11 the Mediated Mortgage Workout Program under Article 1.7
12 (commencing with Section 2946). The notice shall include, in
13 boldface type, the telephone number, e-mail address, and Internet
14 Web site for the administrator of the Mediated Mortgage Workout
15 Program.

16 (B) (i) A borrower shall have 30 days from receipt of the notice
17 to request participation in the Mediated Mortgage Workout
18 Program.

1 (ii) *If a borrower chooses to participate in the Mediated*
2 *Mortgage Workout Program, the requirements in paragraph (3)*
3 *shall be deemed to be completed.*

4 (iii) *A notice of default may not be filed while the borrower*
5 *participates in the Mediated Mortgage Workout Program under*
6 *Article 1.7 (commencing with Section 2946).*

7 ~~(2)~~

8 (3) A mortgagee, *trustee*, beneficiary, or authorized agent shall
9 contact the borrower in person or by telephone in order to assess
10 the borrower's financial situation and explore options for the
11 borrower to avoid foreclosure. During the initial contact, the
12 mortgagee, *trustee*, beneficiary, or authorized agent shall advise
13 the borrower that he or she has the right to request a subsequent
14 meeting and, if requested, the mortgagee, *trustee*, beneficiary, or
15 authorized agent shall schedule the meeting to occur within 14
16 days. The assessment of the borrower's financial situation and
17 discussion of options may occur during the first contact, or at the
18 subsequent meeting scheduled for that purpose. In either case, the
19 borrower shall be provided the toll-free telephone number made
20 available by the United States Department of Housing and Urban
21 Development (HUD) to find a HUD-certified housing counseling
22 agency. Any meeting may occur telephonically.

23 (b) A notice of default filed pursuant to Section 2924 shall
24 include a declaration that the mortgagee, *trustee*, beneficiary, or
25 authorized agent has contacted the borrower, has tried with due
26 diligence to contact the borrower as required by this section, or
27 that no contact was required pursuant to subdivision ~~(h)~~ (g).

28 (c) If a mortgagee, trustee, beneficiary, or authorized agent had
29 already filed the notice of default prior to the enactment of this
30 section and did not subsequently file a notice of rescission, then
31 the mortgagee, trustee, beneficiary, or authorized agent shall, as
32 part of the notice of sale filed pursuant to Section 2924f, include
33 a declaration that either:

34 (1) States that the borrower was contacted to assess the
35 borrower's financial situation and to explore options for the
36 borrower to avoid foreclosure.

37 (2) Lists the efforts made, if any, to contact the borrower in the
38 event no contact was made.

1 (d) A mortgagee's, *trustee's*, beneficiary's, or authorized agent's
2 loss mitigation personnel may participate by telephone during any
3 contact required by this section.

4 ~~(e) For purposes of this section, a "borrower" shall include a~~
5 ~~mortgagor or trustor.~~

6 ~~(f)~~
7 (e) A borrower may designate, with consent given in writing,
8 a HUD-certified housing counseling agency, attorney, or other
9 advisor to discuss with the mortgagee, *trustee*, beneficiary, or
10 authorized agent, on the borrower's behalf, the borrowers financial
11 situation and options for the borrower to avoid foreclosure. That
12 contact made at the direction of the borrower shall satisfy the
13 contact requirements of paragraph (2) of subdivision (a). Any loan
14 modification or workout plan offered at the meeting by the
15 mortgagee, *trustee*, beneficiary, or authorized agent is subject to
16 approval by the borrower.

17 ~~(g)~~
18 (f) A notice of default may be filed pursuant to Section 2924
19 when a mortgagee, *trustee*, beneficiary, or authorized agent has
20 not contacted a borrower as required by paragraph (2) of
21 subdivision (a) provided that the failure to contact the borrower
22 occurred despite the due diligence of the mortgagee, *trustee*,
23 beneficiary, or authorized agent. For purposes of this section, "due
24 diligence" shall require and mean all of the following:

25 (1) A mortgagee, *trustee*, beneficiary, or authorized agent shall
26 first attempt to contact a borrower by sending a first-class letter
27 that includes the toll-free telephone number made available by
28 HUD to find a HUD-certified housing counseling agency.

29 (2) (A) After the letter has been sent, the mortgagee, *trustee*,
30 beneficiary, or authorized agent shall attempt to contact the
31 borrower by telephone at least three times at different hours and
32 on different days. Telephone calls shall be made to the primary
33 telephone number on file.

34 (B) A mortgagee, *trustee*, beneficiary, or authorized agent may
35 attempt to contact a borrower using an automated system to dial
36 borrowers, provided that, if the telephone call is answered, the call
37 is connected to a live representative of the mortgagee, *trustee*,
38 beneficiary, or authorized agent.

39 (C) A mortgagee, *trustee*, beneficiary, or authorized agent
40 satisfies the telephone contact requirements of this paragraph if it

determines, after attempting contact pursuant to this paragraph, that the borrower's primary telephone number and secondary telephone number or numbers on file, if any, have been disconnected.

(3) If the borrower does not respond within two weeks after the telephone call requirements of paragraph (2) have been satisfied, the mortgagee, beneficiary, or authorized agent shall then send a certified letter, with return receipt requested.

(4) The mortgagee, *trustee*, beneficiary, or authorized agent shall provide a means for the borrower to contact it in a timely manner, including a toll-free telephone number that will provide access to a live representative during business hours.

(5) The mortgagee, *trustee*, beneficiary, or authorized agent has posted a prominent link on the homepage of its Internet Web site, if any, to the following information:

(A) Options that may be available to borrowers who are unable to afford their mortgage payments and who wish to avoid foreclosure, and instructions to borrowers advising them on steps to take to explore those options.

(B) A list of financial documents borrowers should collect and be prepared to present to the mortgagee, beneficiary, or authorized agent when discussing options for avoiding foreclosure.

(C) A toll-free telephone number for borrowers who wish to discuss options for avoiding foreclosure with their mortgagee, beneficiary, or authorized agent.

(D) The toll-free telephone number made available by HUD to find a HUD-certified housing counseling agency.

~~(h)~~

(g) Subdivisions (a), (c), and ~~(g)~~ (f) shall not apply if any of the following occurs:

(1) The borrower has surrendered the property as evidenced by either a letter confirming the surrender or delivery of the keys to the property to the mortgagee, trustee, beneficiary, or authorized agent.

(2) The borrower has contracted with an organization, person, or entity whose primary business is advising people who have decided to leave their homes on how to extend the foreclosure process and avoid their contractual obligations to mortgagees or beneficiaries.

(3) A case has been filed by the borrower under Chapter 7, 11, 12, or 13 of Title 11 of the United States Code and the bankruptcy court has not entered an order closing or dismissing the bankruptcy case, or granting relief from a stay of foreclosure.

(4) *The borrower has completed participation in the Mediated Mortgage Workout Program, and participation did not result in a mortgage loan modification, or other result mutually agreed to by the borrower and the mortgagee, trustee, beneficiary, or authorized agent.*

(i)

(h) This section shall apply only to mortgages or deeds of trust recorded from January 1, 2003, to December 31, 2007, inclusive, that are secured by owner-occupied residential real property containing no more than four dwelling units. For purposes of this subdivision, “owner-occupied” means that the residence is the principal residence of the borrower as indicated to the lender in loan documents.

(i) *For purposes of this section, a “borrower” includes a mortgagor or trustor.*

(j) This section shall remain in effect only until January 1, 2013, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2013, deletes or extends that date.

SEC. 2. *Article 1.7 (commencing with Section 2946) is added to Chapter 2 of Title 14 of Part 4 of Division 3 of the Civil Code, to read:*

Article 1.7 Mediated Mortgage Workout Program

2946. *For purposes of this article:*

(a) “Administrator” means the administrator of the Mediated Mortgage Workout (MMW) Program.

(b) “Borrower” includes a mortgagor, trustor, or owner of the residential real estate property described in the notice of default sent pursuant to Section 2924.

(c) “Meaningful participation” includes both of the following:

(1) Attendance at all mediation sessions.

(2) Presentation of all required documents and payment of all required fees.

(d) “Residential real estate property” means residential real property consisting of one- to four-family dwelling units.

1 *Owner-occupied condominiums shall be considered residential*
2 *real estate property within the scope of this program, regardless*
3 *of the number of family dwelling units in any single homeowners'*
4 *association, complex, or community.*

5 2946.1. (a) *This article shall apply to a loan secured by*
6 *residential real property that is the primary residence of the*
7 *borrower and for which a notice of default has been filed pursuant*
8 *to Section 2924.*

9 (b) *Chapter 2 (commencing with Section 1115) of Division 9 of*
10 *the Evidence Code shall apply to a mediation conducted pursuant*
11 *to this article.*

12 2946.2. (a) *The administrator shall be appointed by the*
13 *Governor and confirmed by the Senate.*

14 (b) *The administrator shall do all of the following in order to*
15 *carry out this article:*

16 (1) *Implement rules and standards for choosing qualified*
17 *mediators.*

18 (2) *Implement rules and standards for the removal of mediators*
19 *for good cause.*

20 (3) *Develop standards for forms and reports, as may be required*
21 *to implement the MMW Program.*

22 (4) *Require additional training for mediators to meet the goals*
23 *of this article.*

24 2946.3. *A notice of default sent pursuant to Section 2924 to a*
25 *borrower of residential real property that is subject to this chapter*
26 *shall include all of the following:*

27 (a) (1) *A separate notice, entitled "Opportunity to Meet*
28 *Face-to-Face with Your Lender/Loan Servicer and a Neutral*
29 *Professional in a Mediated Mortgage Workout Program," advising*
30 *the borrower of his or her right to participate in an MMW Program*
31 *to explore options for the borrower to avoid foreclosure. This*
32 *notice and all of the documents required to be included with the*
33 *notice of default shall be printed in large, bold type and shall be*
34 *printed in English, Spanish, Chinese, Tagalog, and Korean. This*
35 *separate notice shall be sent to all borrowers of record. This notice*
36 *shall be recorded, in addition to the notice of default, in the office*
37 *of the appropriate county recorder.*

38 (2) *The notice described in paragraph (1) shall do all of the*
39 *following:*

1 (A) Explain the requirements for participation in the MMW
2 Program and advise the borrower of the procedures that are to
3 be followed to make an election to participate in the program.

4 (B) Include the name, address, telephone number, facsimile
5 number, and e-mail address of the mortgagee, trustee, beneficiary,
6 or authorized agent, and the administrator of the MMW Program,
7 as well as two or more local housing counseling agencies that are
8 approved by the United States Department of Housing and Urban
9 Development.

10 (C) Advise the borrower that loan counselors are prohibited
11 from collecting an advance fee.

12 (b) Three copies of an election form, as developed and approved
13 by the administrator of the MMW Program, upon which the
14 borrower may indicate his or her election to either participate in,
15 or waive participation in, the MMW Program.

16 (c) Two separate envelopes, one addressed to the mortgagee,
17 trustee, beneficiary, or authorized agent and one addressed to the
18 administrator of the MMW Program, for use by the borrower to
19 advise the mortgagee, trustee, beneficiary, or authorized agent
20 and the administrator of the borrower's election to participate in
21 the MMW Program.

22 (d) This section shall not apply to borrowers who have
23 previously completed the MMW Program.

24 2946.4. (a) If the borrower elects to participate in the MMW
25 Program, the borrower shall complete the election form and mail
26 a copy of the election form to the mortgagee, trustee, beneficiary,
27 or authorized agent and to the administrator not later than 30
28 calendar days after receipt of the notice of default. The election
29 form shall be sent by certified mail, return receipt requested.

30 (b) Within 10 days of requesting to participate in the MMW
31 Program, the borrower shall submit all of the following to the
32 administrator:

33 (1) Tax returns filed for the prior tax year, if the borrower was
34 required to file a tax return for that year.

35 (2) Payroll or other income verification for the previous two
36 months.

37 (3) First deposit of funds in accordance with Section 2946.7.

38 (c) Within 10 days of receiving notice that the borrower has
39 elected to participate in the MMW Program, the mortgagee,

1 trustee, beneficiary, or authorized agent shall submit all of the
2 following documents to the administrator:

3 (1) The applicable Pooling and Service Agreement, if any.

4 (2) The loan application, loan origination documents, appraisal,
5 and payment history.

6 (3) The original note and assignments or certificate regarding
7 a lost document.

8 (4) Documentary evidence of current ownership or chain of
9 custody of the mortgage note.

10 (5) The net present value formula that the mortgagee, trustee,
11 beneficiary, or authorized agent uses.

12 (d) The administrator may allow the borrower to elect to
13 participate in the MMW Program by completing the election form
14 on an Internet Web site, by submitting the form via e-mail, or by
15 completing the form over the telephone. The administrator shall
16 maintain a platform that responsibly records and gives the
17 borrower a hard copy record of his or her election to participate
18 in the MMW Program and that record shall be in compliance with
19 recognizable standards for recording and storing critical electronic
20 information.

21 (e) When a borrower has elected to participate in the MMW
22 Program, the timelines set forth in Section 2924 shall be suspended
23 for the duration of, and no further action may be taken to exercise
24 the power of sale until the completion of, the MMW Program, as
25 evidenced by the mediator's final report as described in Section
26 2946.14.

27 2946.5. A mediator shall be compensated for his or her services
28 at the hourly rate of one hundred fifty dollars (\$150). The
29 compensation shall initially be paid by the mortgagee, trustee,
30 beneficiary, or authorized agent and, in the event that the mortgage
31 loan is modified, the borrower shall reimburse the mortgagee,
32 trustee, beneficiary, or authorized agent for one-half of the total
33 compensation paid to the mediator. The borrower's share of the
34 mediator's fees may be added to the principal balance of the loan
35 if requested by the borrower. If the parties' efforts to modify the
36 loan fail and the property is sold, the mortgagee, trustee,
37 beneficiary, or authorized agent, alone, shall be responsible for
38 the expense of the mediator's fees.

39 2946.6. (a) Upon receipt of a borrower's form whereby he or
40 she elects to participate in the MMW Program the administrator

1 shall randomly appoint an individual from a list of qualified
2 mediators in the county in which the property is located to act as
3 the mediator for the borrower and the mortgagee, trustee,
4 beneficiary, or authorized agent. The mediator shall contact the
5 parties within 15 days of his or her appointment to schedule the
6 first session of the MMW Program.

7 (b) (1) The administrator shall notify the mortgagee, trustee,
8 beneficiary, or authorized agent of the borrower's election to
9 participate in the MMW Program within 15 days of receipt of the
10 borrower's election to participate in the program. The mortgagee,
11 trustee, beneficiary, or authorized agent shall submit an
12 administrative fee of five hundred dollars (\$500), as well as all
13 required documentation, to the administrator within 10 days of
14 the administrator's notification of the borrower's election. In the
15 event that the mortgage loan is modified, as part of the modification
16 plan, the borrower shall reimburse the mortgagee, trustee,
17 beneficiary, or authorized agent two hundred fifty dollars (\$250)
18 as partial reimbursement of this fee according to the same terms
19 as set forth in Section 2946.5. In the event that the parties' efforts
20 to modify the loan fail and the property is sold by the mortgagee,
21 trustee, beneficiary, or authorized agent, the mortgagee, trustee,
22 beneficiary, or authorized agent, alone, shall be responsible for
23 the program fee.

24 (2) Failure of the mortgagee, trustee, beneficiary, or authorized
25 agent to deposit the fee within 10 days of the administrator's
26 notification of the borrower's election to participate shall result
27 in a stay of foreclosure proceedings and delay of the MMW
28 Program until the fee is deposited with an additional penalty of
29 one hundred dollars (\$100) per day for each day after the deadline
30 that the fee has not been deposited.

31 2946.7. Any borrower who elects to participate in the MMW
32 Program shall deposit with the administrator 50 percent of the
33 current mortgage payment every month during participation in
34 the MMW Program. The first monthly deposit shall be made within
35 10 days after requesting participation in the MMW Program. If
36 the borrower fails to comply with these terms, the borrower's
37 election shall be deemed to be canceled and the MMW Program
38 shall be deemed to be completed for purposes of subdivision (c)
39 of Section 2946.4.

1 2946.8. A borrower who participates in the MMW Program
2 shall not be required, as a condition of participation, or as a
3 condition of acceptance of a modification, to waive any rights and
4 remedies that may otherwise be available.

5 2946.10. (a) The borrower or borrowers and mortgagee,
6 trustee, beneficiary, or authorized agent shall attend the MMW
7 Program sessions in person.

8 (b) In the event of exigent circumstances, the administrator may
9 allow either party to be represented by a person with a power of
10 attorney or other written authorization to represent and bind the
11 party. In addition, each party may be represented by an attorney
12 or housing counselor. However, no attorney, other representative,
13 or loan counselor appearing on behalf of the borrower may receive
14 an advance fee for any services rendered in connection with the
15 MMW Program.

16 (c) No request for a continuance of an MMW Program session
17 may be granted, except upon showing of extraordinary
18 circumstances. A request shall be made to the administrator, at
19 least three business days prior to the MMW Program session
20 detailing the extraordinary circumstances that require the
21 continuance. A fee of three hundred dollars (\$300) shall be levied
22 upon the party requesting the continuance, payable to the mediator
23 or as otherwise directed by the administrator, if a continuance is
24 granted.

25 (d) The borrower and mortgagee, trustee, beneficiary, or
26 authorized agent may agree on the terms of a loan modification
27 which may include any or all of the following features:

28 (1) An interest rate reduction for a fixed term of at least five
29 years.

30 (2) An extension of the mortgage term, not to exceed 40 years
31 from the original date of the loan.

32 (3) Deferral of a portion of the principal amount of the unpaid
33 principal balance until maturity of the loan.

34 (4) Reduction of the principal balance.

35 (5) Compliance with a federally mandated loan modification
36 program.

37 (6) Other alternatives that may reduce the borrower's monthly
38 payment to 31 percent or less of the borrower's debt-to-income
39 ratio and that are designed to meet long-term sustainability for
40 the borrower.

1 (7) *Nothing in this section shall be construed to prevent a*
2 *creditor from offering or accepting alternatives in writing to*
3 *foreclosure, such as a short sale or deed-in-lieu of foreclosure,*
4 *but only if the borrower requests these alternatives, rejects a loan*
5 *modification offered pursuant to this section, or does not qualify*
6 *for a loan modification pursuant to this section.*

7 (e) *If a borrower has failed to meaningfully participate in the*
8 *MMW Program, the MMW Program shall be deemed suspended*
9 *for purposes of subdivision (c) of Section 2946.3. If the borrower*
10 *cures the noncompliance to the satisfaction of the mediator within*
11 *10 days of notice of failure to comply, the mediator shall rescind*
12 *suspension of the mediation sessions and continue with the MMW*
13 *Program.*

14 (f) *If a mortgagee, trustee, beneficiary, or authorized agent fails*
15 *to meaningfully participate in the MMW Program, the MMW*
16 *Program shall be suspended. During the suspension of the program*
17 *for failure to meaningfully participate, the mortgagee, trustee,*
18 *beneficiary, or authorized agent may not pursue further foreclosure*
19 *actions until such time as the mortgagee, trustee, beneficiary, or*
20 *authorized agent cures the noncompliance.*

21 2946.11. *A mortgagee, trustee, beneficiary, or authorized agent*
22 *shall not report negative credit information about a borrower to*
23 *a credit reporting agency if the borrower has successfully*
24 *participated in the MMW Program and a mortgage loan*
25 *modification has been accepted.*

26 2946.12. *A borrower shall not be responsible for fees, late*
27 *payment charges, or other monetary penalties while the MMW*
28 *Program or final report is pending.*

29 2946.13. *The mediator shall use reasonable efforts to ensure*
30 *that each MMW Program is completed within 60 calendar days*
31 *of the mediator's appointment.*

32 2946.14. (a) *The mediator's final report shall describe the*
33 *basic terms of the loan at issue, including the principal balance*
34 *and arrearages. The final report shall state whether a mutually*
35 *acceptable resolution was reached between the parties.*

36 (b) *The final report shall be sent by first-class mail or via*
37 *electronic means to the borrower, mortgagee, trustee, beneficiary,*
38 *or authorized agent, and the administrator and shall include a*
39 *statement that the MMW Program has been completed.*

1 2946.15. (a) (1) *The administrator shall report quarterly to*
2 *the Legislature regarding the performance of the MMW Program,*
3 *including all of the following information:*

4 (A) *The number of homeowners who attend mediation prior to*
5 *notice of default.*

6 (B) *The number of homeowners who attend mediation after*
7 *receiving a notice of default.*

8 (C) *The number of mediations suspended because of lack of*
9 *meaningful participation by the borrower.*

10 (D) *The number of mediations suspended because of lack of*
11 *meaningful participation on the part of the mortgagee, trustee,*
12 *beneficiary, or authorized agent.*

13 (E) *The number of mediations that result in a loan modification.*

14 (F) *The number of mediations that result in a solution other*
15 *than a loan modification.*

16 (2) (A) *The requirement for submitting a report pursuant to*
17 *paragraph (1) is inoperative on January 1, 2015, pursuant to*
18 *Section 10231.5 of the Government Code.*

19 (B) *A report to be submitted pursuant to paragraph (1) shall*
20 *be submitted in compliance with Section 9795 of the Government*
21 *Code.*

22 (b) *Each mortgagee, trustee, beneficiary, or authorized agent*
23 *participating in the MMW Program shall post public data reports*
24 *on a quarterly basis on its Internet Web site detailing the following:*

25 (1) *The number of loans that have been modified through the*
26 *MMW Program and the type of modification.*

27 (2) *The final disposition of loans that were in the MMW*
28 *Program but not modified.*

29 (3) *The final disposition of loans that did not go through in the*
30 *MMW Program.*

31 (A) *The type of loans in a portfolio serviced by others, delineated*
32 *by prime, subprime, and nontraditional.*

33 (B) *The loans in a portfolio or serviced by others that are*
34 *securitized.*

35 (C) *The number of home retention actions.*

36 (D) *Redefault rates for portfolio loans and loans serviced for*
37 *others.*

38 (E) *The default rates for portfolio loans and loans serviced for*
39 *others.*

1 (F) The default rates of loans modified in 2008 by changes in
2 payment.

3 (G) Newly initiated home retention actions compared with
4 foreclosure actions.

5 (H) Completed foreclosures and other home forfeiture actions.

6 (I) The overall portfolio performance by percentage.

7 (J) The performance of government guaranteed loans, by
8 percentage.

9 (K) The performance of government sponsored enterprise loans,
10 by percentage.

11 (L) Seriously delinquent mortgages, by percentage.

12 (M) Home Affordable Modification Program actions by investor
13 and risk category.

14 (N) Changes in loan terms made by modifications during 2009.

15 (O) Changes in monthly principal and interest payments owing
16 to modification, by the number of modifications.

17 (P) The number of modified loans, 30 or more days delinquent.

18 (Q) The number of modified loans, 60 or more days delinquent.

19 (R) The number of modified loans, 90 or more days delinquent.

20 SEC. 3. If the Commission on State Mandates determines that
21 this act contains costs mandated by the state, reimbursement to
22 local agencies and school districts for those costs shall be made
23 pursuant to Part 7 (commencing with Section 17500) of Division
24 4 of Title 2 of the Government Code.

25 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
26 ~~changes relating to the Budget Act of 2010.~~